

STAFF REPORT ACTION REQUIRED

TTC Fare Policy Principles

Date:	September 28, 2015
To:	TTC Board
From:	Chief Executive Officer

Summary

This report will take the form of a presentation recommending the high level fare policy principles, analysis assumptions and areas of analysis for approval by the TTC Board.

Following TTC Board approval staff will return to the December 16th, 2015 Board meeting to present this analysis and recommend which areas should be taken forward for more detailed analysis and consultation.

Recommendations

It is recommended that the TTC Board:

- 1. approve the proposed fare policy principles;
- 2. approve the analysis assumptions; and
- 3. approve the list of areas for analysis.

Financial Summary

There are no financial implications resulting from the adoption of this report.

The Chief Financial & Administration Officer has reviewed this report and agrees with the financial impact information.

Accessibility/Equity Matters

The recommendations have no accessibility or equity impacts at this time.

Decision History

At its meeting of April 29, 2015 the TTC Board adopted a motion requesting staff report back, as planned, for a fulsome discussion on fare policy when PRESTO is in place. The motion included the following items for analysis:

- i. fare by time of day;
- ii. two hour transfer;
- iii. seniors' fares by time of day, including \$1.00 seniors fare during off-peak hours;
- iv. fare by distance;
- v. concession policy overall as informed by Fare Equity Strategy;
- vi. monthly pass versus daily / weekly / monthly capping; and
- vii. free regular transit fares for Wheel-Trans qualified passengers in addition to the visually impaired".

These items are included within the list of proposed areas for analysis.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2015/April_29/Reports/Decisions/Reduced_Senior_Fares_During_Off_Peak_Hours.pdf

Contact

Arthur Borkwood, Head of Customer Development Strategy & Customer Experience Group Toronto Transit Commission

Tel: 416 393 6085

Email: Arthur.Borkwood@ttc.ca

Attachments

TTC Fare Policy Principles presentation to follow

TTC FARE POLICY PRINCIPLES

Arthur Borkwood Head of Customer Development

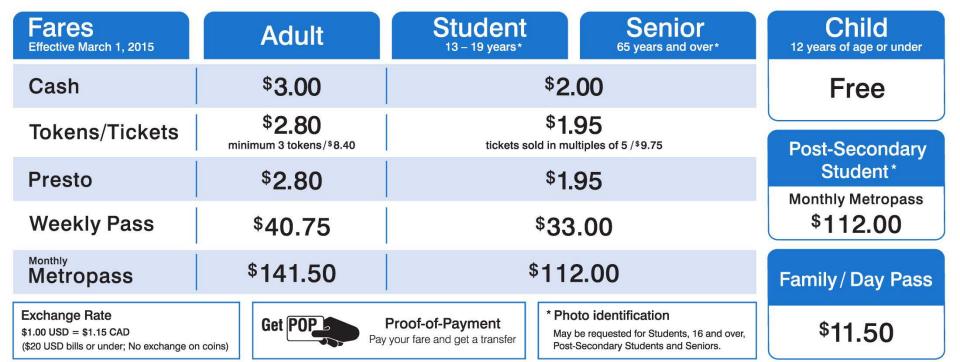


AGENDA

- TTC fare policy today
- Greater Toronto and Hamilton Area fare policies
- Challenges
- Opportunities
- Timeline
- Fare policy analysis
 - Principles
 - Assumptions
 - Areas of analysis
- Next steps



TTC FARE POLICY TODAY



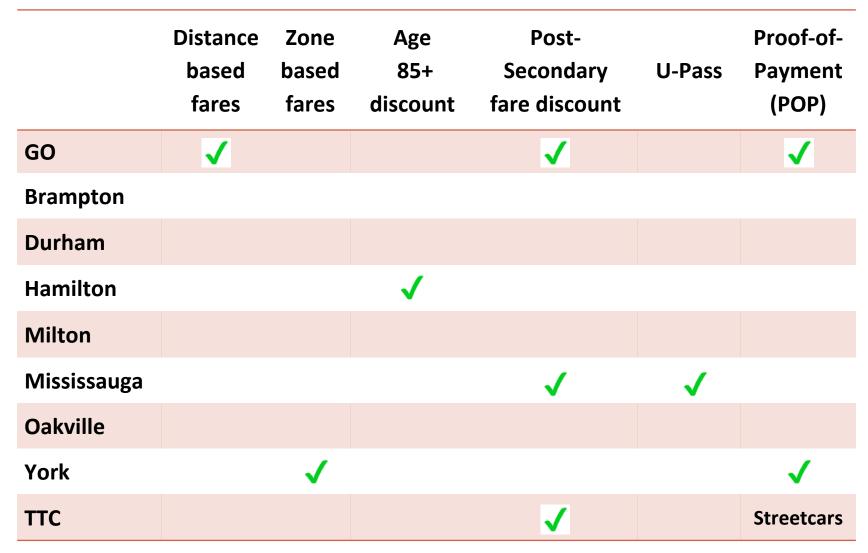


GREATER TORONTO & HAMILTON AREA FARE POLICIES (1/2)

	2hr time-based transfer	Single cash fare	Co-fare discount with GO	Municipal cross-boundary time-based transfer
GO				
Brampton	✓		✓	✓
Durham	√		√	
Hamilton	√	√	✓	√
Milton	√	√	√	
Mississauga	✓	✓	✓	✓
Oakville	√	√	√	√
York	✓	√	✓	✓
TTC	512			



GREATER TORONTO & HAMILTON AREA FARE POLICIES (2/2)





CHALLENGES

- Demand exceeds capacity on some routes during peak (rush hour)
- Revenue control
- Complex fare and transfer rules



OPPORTUNITIES

- PRESTO implementation
- Faregate implementation
- Proof-of-Payment (POP) system-wide
- Create efficiencies that could be reinvested into TTC





TIMELINE

- PRESTO on all streetcars & at 26 subway stations
- Installation of PRESTO add value machines begins

- Begin transition away from legacy fare media
- Faregate installation complete
- Contactless credit/debit cards accepted for travel
- TYSSE opens

2015 2016

2017

2018

- TTC enabled to accept PRESTO system-wide
- Faregate installation begins
- PRESTO add value and full service vending machines installed

 Opportunity to implement new fare policies



ANALYSIS PRINCIPLES

- 1. Improve the customer experience
- 2. Meet the needs of our different customer groups
- 3. Increase ridership
- 4. Optimize TTC fare revenue
- 5. Optimize TTC operations
- 6. Embrace new technology to modernize our fare offering
- 7. Support fare integration initiatives across the Greater Toronto and Hamilton Area



ANALYSIS ASSUMPTIONS

- 1. Policy changes implemented from 2018
- 2. Technical requirements to support fare policy changes are in place
- 3. Price difference between cash and PRESTO fares will widen

AREAS OF ANALYSIS

- 1. Cash fares and single ride options
- 2. Loyalty programs
- 3. Peak and off-peak fares
- 4. 2hr time-based transfers
- 5. Fare by distance/zone



AREAS OF ANALYSIS

- 6. All-door boarding on buses
- 7. Proof-of-Payment (POP) system wide including buses and subway
- 8. "Tap on" to all buses and streetcars
- 9. "Tap on and off" at all subway stations



ANALYSIS WITH OTHER AGENCIES

- Low income discount Transit Fare Equity
- Co-fares Fare integration across the Greater Toronto and Hamilton Area



NEXT STEPS

December 2015:

- Present analysis to the TTC Board
- Recommend which options should be taken forward for more detailed analysis and consultation



DECISIONS

It is recommended that the TTC Board:

- 1. Approve the proposed fare policy principles
- 2. Approve the analysis assumptions
- 3. Approve the list of areas for analysis

